Feasibility study of MoU signed between the Enron and Maharashtra Government

*48. SHRI SOLIPETA RAMACHANDRA REDDY: Will the Minister of POWER be pleased to state:

(a) whether Government's attention has been drawn to reports appearing in the newspapers about guarantee to Enron;

(b) if so, whether the Central Electricity Authority had examined the feasibility of MoU (Memorandum of Understanding) signed between the Enron and Maharashtra Government;

(c) if so, the outcome thereof;

(d) whether the World Bank had pointed out adverse impact of the agreement on economy; and

(e) if so, the reaction of the Union Government in this regard?

THE MINISTER OF POWER (SHRI SURESH PRABHU): (a) Yes, Sir.

(b) and (c) Memorandum of Understanding (MoU) for development of the Dabhol power project was signed on 20.6.1992 between Maharashtra State Electricity Board (MSEB), Enron Power Corporation and General Electric Corp. MoUs are not required to be examined by Central Electricity Authority (CEA). However, CEA accorded techno-economic clearance (TEC) to the Dabhol Project on 26.11.1993.

(d) and (e) The World Bank had expressed the view during April-July, 1993, that they could not finance the project due to following reasons:—

- The project was too large for base load operations in MSEB system.
- This was not part of least cost sequence for Maharashtra power development.

Considering the above observations of the World Bank, the Government of Maharashtra (GoM) delinked Phase-I from Phase-II

in October, 1993 and the Power Purchase Agreement (PPA) was signed accordingly. The TEC accorded by CEA had also stipulated that Phase-II of the project could start only after GoM/MSEB ensured absorption of the entire power within Maharashtra system or by entering into agreements with entities outside Maharashtra. However, the Negotiating Group/Expert Committee constituted by GoM during 1995-96 observed that load studies of MSEB indicated the need of additional energy for MSEB and, therefore, the Committee recommended acceptance of 90% load factor for the entire project since MSEB would have the advantage of additional energy at reduced rate. After considering recommendations of the Negotiating Group/Expert Committee, the GoM decided to go ahead with the implementation of Phase-II.

Utilisation of CISF for private industries

*49. SHRIMATI CHANDRA KALA PANDEY:
SHRI DIPANKAR MUKHERJEE:

Will the Minister of HOME AFFAIRS be pleased to state:

(a) whether CISF can be utilised for safety and security of private industries;

(b) if so, the name of the private companies where CISF are being utilised;

(c) if not, whether CISF was utilised in BALCO, Corba, from March, 2001, onwards after management and ownership had been handed over to private management; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI CHENNAMANENI VIDYA SAGAR RAO): (a) The CISF has been constituted as an armed force of the Union for the protection and security of Industrial Undertakings owned by the Central Government. The force can also be deployed in an organisation which is owned or funded by the Central Government. On the request of an industrial establishment in the private sector, technical consultancy service relating to security can be provided on